

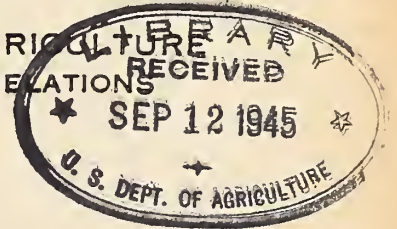
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FOREIGN CROPS and MARKETS

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CANADA

Harvesting operations are now general throughout the Prairie Provinces. Little significant change was reported for the week ending August 24 in the general crop outlook of those Provinces. While some improvement was noted in the better areas of Saskatchewan, other sections showed further declines. In Manitoba weather conditions are reported ideal for cutting, which has been completed over wide areas, and for threshing, which is under way at many points. Yields are mostly average or above. Fairly substantial progress has been made in Saskatchewan, except in the extreme northwest. In southern Alberta rapid progress is being made in harvesting that area's light grain crops. In the central and northern areas of Alberta warm dry weather is needed to mature the crop.

Cutting of grain is reported in the southern districts of British Columbia, although harvesting there is not expected to be general until September. Threshing operations have begun in some parts of the northern area. In eastern Canada conditions are variable. Threshing is reported as fairly general in Ontario and early grains are mostly cut. Yields are said to be generally disappointing. Much of the late grain will be cut as fodder. In Quebec and the Maritime Provinces the continued rains of late August have delayed harvesting.

AUSTRALIA

Wheat is approaching the critical development period of September and October under unfavorable conditions as the result of continued drought. Trade reports indicate a substantial reduction in the coming harvest even though weather conditions should improve materially, since acreage is much below the pre-war average.

SWEDEN

This year's fruit crop in Sweden is a disappointing one, judging from provincial crop reports recently compiled and published by the Swedish Pomological Association. The below-average yields in prospect are a reflection not only of an unfavorable growing season, but also of widespread injury to trees by the extremely cold winters of recent years. As of July 12, crop prospects were described as follows: apples, poor to average; pears, very poor; plums, very poor.

CANADA

An order establishing maximum prices for peaches, pears, and plums sold for fresh consumption was announced on August 14, by the Canadian War-time Prices and Trade Board. The control formula is based on ceiling prices applied at country shipping points, and at ports of entry in the case of imported fruit. Cannery prices, including a subsidy, were provided for the same fruits at a relatively high level designed to induce diversion of a high percentage of the short crops into processing plants.

WORLD RYE PRODUCTION IN 1942-43
LOWEST IN RECENT YEARS*

The world production of rye in 1942-43, as estimated by the Office of Foreign Agricultural Relations, was one of the smallest crops recorded. The reduced outturn was attributed to the decline in area, the acreage having decreased progressively during the past decade from 112 million acres during the period 1930-34 to an estimated 85 million in 1942. The 1942 acreage, though about 24 percent less than the 1930-34 average, was estimated to be slightly below the small areas of the two preceding seasons.

In North America production was estimated at the record figure of 82 million bushels, which is 44 percent larger than the 1941 crop there, and was more than double the average during the 5 years, 1930-1934. The acreage also showed a significant increase, though not as large as the production gains, since unusually favorable yields accounted in part for the large outturn. Though the percentage increase was large, the production in that area is not an important part of the world total, representing less than 6 percent of the estimated total in 1942.

In Europe, where the bulk of the world's rye is grown and consumed, the production was below that of 1941 and considerably below average. In continental Europe the crop, estimated at 800 million bushels, though about 10 percent less than the 1930-1934 average, was only slightly below the small 1941 production. The principal rye-producing countries of continental Europe, in order of importance, are Germany, Poland, Czechoslovakia, and the Danube Basin countries. The Baltic and Scandinavian countries also are fairly important producing centers.

Acreage was reduced, especially in central Europe and the Balkans, in parts of which areas heavy winter-kill resulted from the severe cold during the winter of 1941-42, though damage to rye was less than that reported for wheat. In the spring, extensive re-sowing of damaged areas to feed grains was reported. A shift of some acreage from wheat to rye is expected in 1943, especially in the Scandinavian countries, since rye is hardier than wheat. Normally the European crop was used largely as food, though in some areas a certain amount was fed. Under present conditions, however, rye, like wheat, is regarded solely as a bread grain.

The greatest reduction was indicated for the Soviet Union, where normally more than half the world's rye acreage is seeded. In the occupied territory and in the war zones cultivation was reduced somewhat, according to unofficial estimates. In other areas there were no significant changes. Turkish production was around average and Argentina was about the same as in 1941 but considerably below average.

*A similar survey of wheat production appeared in the June 28 issue of Foreign Crops and Markets and of feed-grain production in the issues of July 5, 12 and August 9.

RYE: Acreage in specified countries or areas, year of harvest,
average 1930-1934, annual 1939-1942 a/

Country or area	Average 1930-34	1939	1940	1941	1942 a/
	1,000	1,000	1,000	1,000	1,000
	acres	acres	acres	acres	acres
North America:					
United States	2,896:	3,822:	3,194:	3,570:	3,837
Canada	858:	1,102:	1,035:	958:	1,338
Total	3,754:	4,924:	4,229:	4,528:	5,175
Europe:					
Denmark	346:	339:	340:	474:	470
Sweden	555:	432:	422:	511:	616
Finland	553:	539:	459:	467:	-
Switzerland	44:	38:	25:	35:	-
Italy	260:	259:	259:	259:	-
Spain	1,494:	1,302:	1,362:	1,473:	1,450
Portugal	392:	311:	286:	309:	-
Central Europe c/	28,831:d/	28,450:d/	26,100:e/	27,100:e/	26,000
Balkans f/	3,870:	4,061:d/	3,700:e/	3,700:e/	3,500
Estimated total	41,400:	40,800:	37,600:	38,600:	37,500
Other Countries:					
Union of Soviet Socialist Republics ...	65,286:	44,067:	-	-	-
Argentina	936:	1,233:	-	-	-
Chile	g/ 8:	32:	24:	19:	23
Australia	6:	24:	-	-	-
Union of South Africa ...	g/ 114:	-	-	-	-
French North Africa h/...	5:d/ 11:	-	-	-	-
Turkey	610:	1,050:	1,146:	-	-
Estimated world total i/:	112,000:	92,000:	87,000:	89,000:	85,000

Compiled from official and unofficial sources.

a/ Harvests of the Northern Hemisphere countries are combined with those of the Southern Hemisphere which immediately follow; thus the crop harvested in the Northern Hemisphere in 1942, is combined with the Southern Hemisphere harvest which began late in 1942 and ended early in 1943. Estimated totals include allowances for missing data and for countries not listed. Data refer to harvested areas as far as available.

b/ Preliminary estimates.

c/ Comprises Germany, Austria, Czechoslovakia, Poland, and Luxemburg.

d/ Partly estimated.

e/ Unofficial estimate.

f/ Comprises Hungary, Yugoslavia, Rumania, Bulgaria, and Greece.

g/ Average of less than 5 years.

h/ Comprises Algeria and French Morocco.

i/ Rounded to the nearest million.

RYE: Production in specified countries or areas, year of harvest,
average 1930-1934, annual 1939-1942 a/

Country or area	Average 1930-34	1939	1940	1941	1942 b/
	1,000	1,000	1,000	1,000	1,000
	bushels	bushels	bushels	bushels	bushels
North America:					
United States	30,823:	38,562:	39,984:	45,364:	57,341
Canada	8,939:	15,307:	13,994:	11,703:	24,742
Total	39,762:	53,869:	53,978:	57,067:	82,083
Europe:					
Denmark	9,573:	9,510:	10,714:	12,204:	16,141
Sweden	16,786:	13,919:	11,205:	10,993:	17,209
Finland	13,767:	12,029:	8,263:	9,173:	-
Switzerland	1,417:	1,228:	890:	1,201:	-
Italy	6,256:	5,948:	6,000:	5,905:	-
Spain	22,164:	16,145:	13,822:	15,632:	21,128
Portugal	4,641:	3,890:	2,996:c/	2,500:	-
Central Europe d/	655,629:e/	720,000:e/	550,000:c/	615,000:c/	575,000
Balkans f/	62,314:	70,837:	60,306:e/	57,750:c/	55,000
Estimated total	896,000:	980,000:	760,000:	820,000:	800,000
Other Countries:					
Union of Soviet Socialist Republics ..g/	829,024:	-	-	-	-
Argentina	9,873:	14,566:	9,460:	5,511:	5,826
Chile	h/ 100:	248:	225:	211:	-
Australia	81:	272:	-	-	-
Union of South Africa ..h/	838:	789:	718:	668:	-
French North Africa i/ ..	60:e/	103:	-	-	-
Turkey	11,729:	16,118:	18,851:	-	-
Estimated world total j/	1,798,000:	1,675,000:	1,470,000:	1,500,000:	1,450,000

Compiled from official and unofficial sources.

a/ Harvests of the Northern Hemisphere countries are combined with those of the Southern Hemisphere which immediately follow; thus the crop harvested in the Northern Hemisphere in 1942, is combined with the Southern Hemisphere harvest which began late in 1942, and ended early in 1943. Estimated totals include allowances for missing data and for countries not listed. Data refer to harvested areas as far as available.

b/ Preliminary estimate.

c/ Unofficial estimate.

d/ Comprises Germany, Austria, Czechoslovakia, Poland, and Luxemburg.

e/ Partly estimated.

f/ Comprises Hungary, Yugoslavia, Rumania, Bulgaria, and Greece.

g/ Beginning 1933, estimates reduced 15 percent to cover harvest losses.

h/ Average of less than 5 years.

i/ Comprises Algeria and French Morocco.

j/ Rounded to the nearest million.

CANADA TO CONTROL RICE IMPORTS

The Canadian Government announced on August 10 that rice imports except under an official permit were prohibited as from that date. The announcement read as follows: "It is ordered that the importation into Canada of Rice (Tariff items 62, 63 and 63a) be prohibited except under and in accordance with the terms of a permit issued by, or on behalf of, the Minister of National Revenue. Applications for permits to import Rice are to be submitted on Department of National Revenue Form (Application for Permit to Import War Materials and other Goods)".

The tariff items referred to in the order include 3 classifications of rice, namely cleaned, unhulled, and cleaned for use in the manufacture of cereal foods. The purpose of the order is to place rice imports under strict Government control and thus to eliminate the criticism that developed because the Canadian industry was entering the market in other countries and paying prices that were considered out of line with local price ceilings.

Prior to the war Canada imported from 45,000,000 to 65,000,000 pounds of rice annually, of which about one-third was from the United States and the remainder from the Far East. Imports consisted of milled, brown, and rough rice. During the past year, the Canadian imports were obtained from the United States and Mexico. Canadian rice consumption averages about 5 pounds per capita - only slightly less than that in the United States.

ITALIAN RICE CROP PROSPECTS UNFAVORABLE

Indications are that the 1943-44 Italian rice crop may be below the high level attained in recent years, according to a report received by the Office of Foreign Agricultural Relations. The report states that this year's acreage was reduced owing to a shortage of fertilizers and the lack of agricultural labor. It is still too early for a reliable indication of production because weather conditions during August and September have considerable influence upon yield.

The reduction in the fertilizer supply for the rice crop may be a serious handicap this season, it was stated. Italian rice yields in recent years have been about the highest for any country in the world. Yields per acre during the past five years have averaged over 100 bushels per acre, as compared with 48 bushels in the United States during the corresponding period.

The high yields per acre in Italy were attained not only by a heavy application of fertilizers but also by intensive cultivation, so that the shortage of labor may also prove to be a serious factor. Rice in Italy is grown as a single crop and also as the second crop on land following winter wheat. A large amount of labor is required for weeding and harvesting. In some areas rice is sown in a seed bed, later being transplanted to open fields.

Italy is the most important rice producing country in Europe. The 1937-41 average production amounted to 40,500,000 bushels, as compared with 52,150,000 bushels in the United States for the same period. Italian rice production, like that in this country, has shown a marked upward trend during the past decade. Rice in Italy is grown in the northern districts, almost exclusively in the Po Valley, Milan being near the center of the area.

Italy normally has had a substantial surplus of rice, with exports prior to 1939 ranging from 25 to 40 percent of the total production. Germany was the principal destination of the rice exports, followed by Hungary, Austria, Yugoslavia, and France. Italy is the only European producing country that has been an exporter of any consequence during recent years.

Rice is not an important item in the food consumption of the Italian people. The amount consumed, however, has increased materially in recent years. The total per capita consumption amounts to about 17 pounds per year.

ITALY: Rice production, trade, and apparent domestic utilization averages 1925-26 to 1934-35, and annual, 1935-36 to 1942-43

Year	Acreage	Production		Imports ^{1/}	Exports ^{1/}	Apparent ^{1/} domestic utilization
	1,000 acres	1,000 bushels	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Average:						
1925-26 to 1929-30	355	33,082	918,944	5,571	446,487	478,028
1930-31 to 1934-35	343	32,662	907,278	6,779	337,030	577,027
Annual:						
1935-36	341	36,019	1,000,528	2,806	313,157	690,177
1936-37	358	35,957	998,806	1,977	344,097	656,686
1937-38	357	38,766	1,076,833	480	352,774	724,539
1938-39	367	40,016	1,111,556	0:2/	298,710:2/	812,846
1939-40	388	37,343	1,037,306	3/	3/	3/
1940-41	398	45,499	1,263,861	3/	3/	3/
1941-42	3/	40,602	1,127,833	3/	3/	3/
1942-43	3/	42,000	1,167,000	3/	3/	3/

Compiled from official sources to 1939-40.

^{1/} For the calendar year following harvest.

^{2/} October-September marketing year.

^{3/} Not available.

ZANZIBAR EXPANDS RICE PRODUCTION

Zanzibar, an island off the east coast of Africa, long known as an important source of supply for spices, has been dependent primarily upon Burma for its rice requirements. Imports of rice from the Far East, prior to the war, ranged from 25,000,000 to 40,000,000 pounds annually. Domestic rice acreage was about 2,500 acres, which produced about 3,000,000 pounds, representing only about 10 percent of the rice consumption.

With the fall of Burma and the realization that the available supply of rice for importation was very meager, the Government set out to expand food production. It is reported that phenomenal success has been achieved in one year. The 1943 rice acreage is estimated at 10,000 acres - an expansion of 400 percent, and with favorable weather the crop may equal 12,000,000 to 15,000,000 pounds. With small imports possible from other sources, Zanzibar probably will have sufficient rice to satisfy its bare essential needs.

BOLIVIAN RICE CROP PROSPECTS FAVORABLE

A recent report indicates that weather conditions in Bolivia have been unfavorable and that the rice harvest this year may not be as large as last season. No estimates of production are available but the belief is that Bolivia will again require substantial imports of rice.

The Bolivian Government has been encouraging expansion in rice acreage in an effort to make the country self-sufficient in this commodity. In the Department of Santa Cruz, the principal rice producing area, a marked expansion is reported to have occurred this year. Rice prices are high in Bolivia and the expectation is that the farmers will again put in a substantial increase in acreage next year.

Imports of rice into Bolivia during 1942 totaled 22,760,000 pounds, as compared with 27,260,000 for the previous year. Bolivian imports are obtained from Chile, Brazil, Argentina, and Ecuador. Imports during recent years have equaled more than 50 percent of the total Bolivian consumption.

DOMINICAN REPUBLIC EXPECTS LARGER RICE CROP

Indications are that the 1943 Dominican rice crop, the harvest of which begins in late August, will be substantially larger than a year ago. The increase, however, will not be as great as had been expected since the yield in some areas is reported only fair. Surplus Dominican rice is finding a ready market at present in other Caribbean deficit areas.

DOMINICAN REPUBLIC: Rice production, trade, and apparent domestic utilization, averages, 1926-1935, annual 1940-1942

Year	Production		Imports	Exports	Apparent domestic utilization
	Rough	Milled			
	1,000 bushels	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Average:					
1926-30	497:	13,806:	57,346:	0	71,152
1931-35	1,975:	54,861:	28,672:	13	83,520
Annual:					
1940	3,175:	88,194:	2:	824	87,372
1941	1/	1/	0:	8,659	
1942	5,550	154,150:	1/	22,287	2/ 131,860

American Legation, Ciudad Trujillo. 1/ Not available

2/ Possibly a large carry-over included.

ARGENTINE SUNFLOWER CROP SMALLEST IN SEVERAL YEARS

Argentine production of sunflower seed in 1943 is now placed at 337,000 metric tons (743,616,000 pounds) from 674,000 hectares (1,665,000 acres), according to the third official estimate issued on August 12. This is the smallest harvest since 1939 and the first year since sunflower seeds became an important crop that production has fallen below that of the previous season.

The 1943 outturn was almost 50 percent lower than that of 1942, but the area planted was only 10 percent smaller than a year earlier. Growing conditions were extremely unfavorable and damage from drought was severe, especially in the major producing regions. Last year (1942) the sunflower seed crop amounted to 1,477,000,000 pounds, compared with 1,091,000,000 pounds in 1941. The average for the 4-year period ending with the 1940 crop was 545,333,000 pounds annually. Prior to 1930 the crop was grown only in insignificant quantities.

Argentina: Area and production of sunflower seed, 1936-37 to 1942-43

Year :	Area		:	Production	
	Hectares	Acres		Metric Tons	1000 Pounds
1936-37 :	206,762	510,909	:	103,441	228,046
1937-38 :	318,848	787,873	:	241,005	531,320
1938-39 :	333,273	823,518	:	270,000	595,242
1939-40 :	505,600	1,249,338	:	375,000	a/ 826,725
1940-41 :	574,131	1,418,678	:	495,000	a/ 1,091,277
1941-42 :	750,000	1,853,250	:	670,000	a/ 1,477,082
1942-43 :	674,000	1,665,454	:	337,302	a/ 743,616

Compiled from official sources.

a/ Revised.

During the 1941-42 season the Argentine Grain Board entered an agreement to purchase the entire sunflower seed crop at guaranteed minimum prices from growers who would sign a contract obligating themselves to reduce their 1942-43 sowings by 30 percent. However, purchases of the 1942-43 crop by the Board were virtually nonexistent since the domestic price level, in view of the crop failure, was higher than the minimum level guaranteed by the Government.

In June the Government called upon growers to expand their 1943-44 crop sowings, which normally take place in September and October. In order to encourage farmers to increasing their sunflower seed acreage, the Government promised that it would purchase the crop at guaranteed minimum prices, to be fixed later, if market conditions warranted such procedure.

ARGENTINE PEANUT CROP ABOVE AVERAGE

Argentina's 1943 peanut production of 212,000,000 pounds is the largest since 1936 and exceeds last year's harvest by 63 percent. Had growing conditions been more favorable it is possible that the outturn would have been a record one since the planted area was 67 percent larger than in 1942.

ARGENTINA: Area and production of peanuts, 1936-37 to 1942-43.

Year :	Area		:	Production	
	<u>Hectares</u>	<u>: Acres</u>	:	<u>Metric Tons</u>	<u>: 1000 Pounds</u>
1936-37:	127,353	: 314,689	:	79,346	: 174,926
1937-38:	122,439	: 302,547	:	69,317	: 152,816
1938-39:	81,060	: 200,299	:	40,822	: 89,996
1939-40:	89,100	: 220,166	:	84,395	: 186,057
1940-41:	75,000	: 185,325	:	61,000	: 134,481
1941-42:	73,700	: 182,113	:	82,600	: 182,100
1942-43:	122,850	: 303,562	:	96,039	: 211,728

Compiled from official sources.

A substantial increase in acreage is expected during the 1943-44 season, as prices are favorable and growers are being urged to produce larger oilseed crops.

Significant exports of peanut oil have been a development of the last two years with Switzerland the chief importing country. Exports of peanuts increased from 1,200,000 pounds in 1937 to 54,000,000 pounds in 1942. The bulk of the shipments went to Spain, Uruguay and Chile.

Prices of shelled peanuts in Buenos Aires have shown an upward trend since June 1941, ranging from 15.50 pesos per 100 kilograms (\$2.10 per 100 pounds) to 36.75 pesos (\$4.95).

UNITED STATES EXPECTS RECORD PEANUT PRODUCTION

Production of peanuts picked and threshed in 1943 is forecast at 2,986,000,000 pounds, 35 percent more than a year earlier. With unusually favorable growing conditions in the Southeastern and Virginia-Carolina sections this season, the indicated United States average yield in 1943 is 713 pounds per acre, over 10 percent higher than in 1942. On the basis of growers' intentions August 1, nearly 4,200,000 acres will be picked and threshed this fall, 22 percent more than a year ago but 24 percent under the 1943 goal of 5,500,000 acres. Peanut oil and peanut butter production from the 1943 crop is estimated at 1,425,000 tons, representing an increase of 375,000 tons over last year's output. This increase in peanut oil will be welcome as it is well adapted for use in the manufacture of margarine and shortening, and when refined makes an excellent salad or cooking oil.

SOUTH AMERICAN WOOL MARKET APPEARS MORE OPTIMISTIC

As the season draws to a close, the tone of the wool market in Argentina and Uruguay appears to be more optimistic than a year ago when large stocks of unsold wool remained on hand. Stocks on hand at the end of the current season (September 30) may be about as large but a greater proportion will consist of wool already sold and awaiting shipment and of Argentine coarse crossbred wool in the hands of speculators. Latest cabled reports indicate that prices remain firm in Argentina, with coarse cross-breds advancing. Prices of wool in Uruguay are reported as nominal as the season draws to a close.

Some interest is now being shown in the new clip which will not appear on the market in any volume until October. It is too early as yet to make a reliable estimate of the coming clip. However, it is reported that the drought at the end of 1942 and in early 1943 affected cattle far more than sheep. The probability, therefore, that another large wool clip will materialize.

Combined exports from Argentina and Uruguay during the first 10 months of the current season averaged only 23 million pounds monthly compared with 27 million last season and 44 million pounds in the last pre-war season, i.e., 1938-39. Argentina shipments were considerably larger in the months May-June than earlier in the season. Normally the heaviest shipments occur in the months December-April.

ARGENTINA AND URUGUAY: Monthly Wool Exports, 1938-39, 1941-42
and 1942-43

	Argentina				Uruguay		
	1938-39:	1941-42:	1942-43 :		1938-39:	1941-42:	1942-43
	1,000	1,000	1,000		1,000	1,000	1,000
	pounds	pounds	pounds		pounds	pounds	pounds
October	13,799	9,328	15,401		8,673	958	596
November	30,136	20,385	7,959		5,893	3,512	811
December	50,510	27,913	12,853		15,972	7,039	4,408
January	46,572	44,381	18,895		5,945	4,475	7,245
February	34,350	13,591	12,509		14,217	7,384	12,581
March	39,553	14,379	15,973		13,249	5,974	7,198
April	33,620	17,696	16,476		9,307	3,465	17,813
May	30,174	23,064	18,834		8,785	13,677	17,943
June	29,593	25,512	20,247		15,669	2,750	3,119
July	23,809	21,839	a/22,479		14,230	5,015	8,015
August	14,403	14,652	b/		11,108	994	b/
September	10,765	10,712	b/		4,944	2,564	b/
Season	357,284	243,452	----		127,992	57,807	----

Compiled from reports submitted by the United States embassies at Buenos Aires and Montevideo. a/ Preliminary - compiled from weekly cabled reports.

b/ Not available.

Exports from these two countries combined, for the first 10 months of the 1942-43 season, totaled only 231 million pounds, a decrease of 15 percent below the small volume of a year earlier and 40 percent below the average prewar exports. Argentine shipments have been considerably smaller this season whereas those from Uruguay have been larger. As the combined exportable surplus for these two countries for the entire 1942-43 season was approximately 760 million pounds, or about 24 percent larger than in 1941-42, a substantial quantity of wool still remains in South America.

ARGENTINA AND URUGUAY: Exports of Wool, October-July,
1934-35 to 1942-43

October - July	Argentina			Uruguay		
	To	Percent-		To	Percent-	
	United States	age of	Total	United States	age of	Total
	States	total		States	total	
	1,000		1,000	1,000		1,000
	pounds	Percent	pounds	pounds	Percent	pounds
1934-35.....	34,958	12.2	285,485	2,936	0.3	104,328
1935-36.....	47,990	18.5	258,783	22,773	21.2	107,562
1936-37.....	75,629	26.8	281,856	26,765	22.5	118,785
1937-38.....	13,719	0.6	240,736	798	0.1	78,675
1938-39.....	57,379	17.3	332,116	11,585	10.3	111,940
Average.....	45,935	16.4	279,795	12,971	12.4	104,258
1939-40.....	115,856	44.9	257,940	30,546	31.2	97,905
1940-41.....	324,504	84.2	385,435	116,116	85.2	136,222
1941-42.....	200,552	92.0	218,088	40,844	75.3	54,249
	a/		a/			
1942-43.....	131,000	86.8	151,000	74,044	92.9	79,729

Compiled from reports furnished by the American Embassy at Buenos Aires.

a/ Preliminary-the month of July compiled from weekly cabled reports.

Argentina

Prices of fine and medium wools in Argentina remain firm although lower than in 1942. Coarse crossbreds have advanced somewhat since May due to active buying for speculation. The United States has been the main support of the market, buying principally fine and medium crossbreds whereas the domestic market confined purchases namely to the finer wools.

Argentine wool exports for the first 10 months of the season have been the smallest in the past 20 years, partly as a result of the difficulty in obtaining shipping space. Shipments totaled only 151 million pounds, a decrease of 31 percent compared with the same period of 1941-42 and a reduction of 46 percent as compared with the corresponding period for the 5 prewar seasons. Unless exports in August and September are unusually heavy the accumulation at the end of the season will be of substantial proportions. A fairly large quantity

of the wool still to be exported has already been sold, principally to American buyers. Shipments to other principal destinations have been relatively small, as follows, in thousands of pounds: Brazil, 6762; Mexico, 4076; Sweden, 3717; Bolivia, 1052.

Commercial stocks of wool on hand on June 1, on a grease basis, totaled 243 million pounds, an increase of 6 percent above June 1, 1942 and 158 percent above June 1 stocks in 1939. This includes 46 million pounds sold to blockaded countries which cannot be delivered at the present time. This item is almost twice as large as a year ago.

ARGENTINA: Commercial stocks of sold and unsold wool, by months,
October 1941 to June 1943

First of month	Ex- porters:	Dealers:	Scouring: mills	Manu- factures:	Packing: Plants:	Others	Total
	: 1,000	: 1,000	: 1,000	: 1,000	: 1,000	: 1,000	: 1,000
1941-42	: pounds	: pounds	: pounds	: pounds	: pounds	: pounds	: pounds
October.....	11,417	2,291	10,344	9,323	2,557	675	a/ 36,607
November.....	17,804	19,326	11,263	8,161	3,051	657	a/ 60,262
December.....	27,643	40,584	12,561	8,437	4,353	593	a/ 93,271
January.....	42,562	46,089	16,420	9,178	3,221	716	a/ 118,186
February.....	51,473	51,473	20,686	8,768	2,590	743	a/ 138,733
March.....	50,369	63,334	21,078	12,857	2,668	683	a/ 150,989
April.....	58,160	66,691	25,569	12,668	3,371	747	a/ 167,206
May.....	64,257	76,389	26,513	17,194	4,890	827	a/ 190,070
June.....	60,668	77,408	28,215	16,887	5,849	941	a/ 189,968
July.....	43,755	69,306	25,772	16,819	4,900	983	a/ 161,535
August.....	34,952	65,271	21,281	17,529	5,974	1,056	a/ 146,063
September,...	33,543	55,029	17,712	13,596	6,655	1,036	a/ 127,571
1942-43	:	:	:	:	:	:	:
October.....	34,178	40,503	17,463	15,589	6,287	1,027	a/ 115,047
November.....	31,669	38,316	17,352	13,955	8,177	990	a/ 110,459
December.....	35,159	43,257	18,574	11,757	8,763	994	a/ 118,504
January.....	41,555	58,228	20,424	10,359	9,817	1,089	a/ 141,472
February.....	44,017	67,932	22,730	9,725	10,377	1,089	a/ 155,870
March.....	50,157	66,271	24,233	11,338	11,060	926	a/ 163,985
April.....	58,477	66,786	27,487	10,256	12,099	1,272	a/ 176,377
May.....	66,898	73,244	29,039	10,908	13,305	1,164	a/ 194,538
June.....	64,196	63,576	26,570	9,246	14,039	1,261	a/ 178,888

Compiled from official sources. a/ Excludes wool sold to blockaded continental European countries as follows, in million pounds: 29 in October, 22 in November, and 25 in December 1941; 28 in January, February, April, and August, 27 in March, September, and October, 30 in May, 26 in June, 29 in July, 25 in November, and 32 in December 1942; 32 in January, 35 in February, 41 in March, 42 in April, 47 in May, and 46 in June 1943.

Uruguay

The United States has aided Uruguay in the disposal of the large quantity of wool carried over from last season, as well as a substantial quantity of the current clip; and the situation is much better than at the close of the 1941-42 season.

Montevideo wool receipts through July totaled approximately 133 million pounds and showed an increase of 21 percent above a year earlier apparently confirming the upward revision of the 1942-43 wool clip. a/ As receipts at Montevideo exceed estimates of the wool clip it seems probable that some wool of the 1941-42 clip held over at other points at the end of September 1942 has been shipped to Montevideo during the 1942-43 season.

Exports for the first 10 months of the season reached 80 million pounds, and while 24 percent below the 5 year average, exceeded shipments for the same period of last year by 47 percent. Almost the entire quantity exported, or 93 percent, was sold to the United States under the Uruguayan Wool Purchase Agreement of November 23, 1943.

a/ Reported in Foreign Crops and Markets July 19, 1943.

SWEDISH HOG NUMBERS INCREASE ABOVE LOW LEVEL OF 1942

An increase of 2 percent in the number of pigs under 3 months, shown in the June 1942 Swedish hog estimate, led to the belief that the decline in hog numbers in that country had been checked. a/ This indication appears to have been borne out by a wartime sampling count of hog numbers in central and southern Sweden, including the Province of Gästrikland, made as of April 19, 1943. That estimate placed the number in the area mentioned at 933,512 head, an increase of 17.2 percent above a corresponding census for April 27, 1942. Such a large increase was unexpected and may be due to some discrepancy in the area covered. However, it is apparent that a substantial increase has occurred and this favorable development may be attributed partly to the liberal pork price policy of the government and to an improvement in the feed situation.

Liquidation of livestock in 1940 and 1941 was heavy owing to crop failures, but in 1942 fewer animals were slaughtered. Also an increase was noticed in the number of sows bred in the latter part of 1942 as compared with earlier months.

Strictly comparable estimates are not available for the war years but on June 1, 1942 the number of hogs had fallen to 836,000 against 997,000 in June 1941 and 1,371,000 on July 15, 1938.

a/ See Foreign Crops and Markets, July 19, 1943 for details.

FRUITS, VEGETABLES AND NUTS . . .

SPANISH 1943 ALMOND CROP PLACED AT 27,500 TO 33,000 TONS

Preliminary estimates made late in July indicate that the 1943 almond crop in Spain would be between 27,500 and 33,000 short tons of shelled nuts, according to a dispatch from the American Consulate at Barcelona, Spain. The opinion was expressed that the condition of the crop had not been materially impaired by an abnormally dry growing season.

The 1942 crop of shelled almonds is still estimated at 27,500 short tons compared with the average of 22,580 short tons for the 5-years ended with the 1941 crop. Stocks accumulated from previous harvests at the date of the report (July 24, 1943) aggregated 27,500 short tons. It was pointed out that since new crop almonds would soon enter the market, stocks in September-October were expected to amount to approximately 55,000 short tons, of which about 40,000 tons would be hard shell nuts.

GOOD ALMOND CROP REPORTED IN IRAN

The 1943-44 almond crop in Iran is estimated at 8,800 short tons, compared with 6,600 short tons in 1942-43, according to a report from the American Consulate in Teheran, Iran. Growing conditions have been exceptionally favorable during the current season, it was stated.

Of the 8,800 tons expected this year 7,000 tons will be shelled almonds and 1,800 tons unshelled nuts, according to the report. The principal exporters state that in normal years about one-eighth of the country's total production is consumed locally. Stocks were said to be much higher than usual because of the absence of foreign markets.

REDUCED PAPRIKA CROP EXPECTED IN SPAIN

The 1943-44 Spanish paprika crop in the important Murcia producing district is not expected to exceed 3,300,000 pounds, according to a report from the American Consulate at Valencia, Spain. However, the harvest does not begin until September and not until October or November can the production be estimated with any fair degree of accuracy, it was stated.

The trade places the 1942-43 crop at 6,600,000 to 7,700,000 pounds. That was from 2,200,000 to 3,300,000 pounds less than the estimates for the 1941-42 crop, and approximately 13,000,000 to 15,000,000 pounds less than the 1934-35 crop, which was considered to have been normal.

The reduction in the paprika crop of the Murcia district is attributed to the following factors: (1) lack of chemical fertilizers; (2) high fixed domestic prices which limit home consumption; (3) the use of land for more essential food crops; (4) the lack of shipping facilities and high freight rates; (5) disturbed conditions in foreign markets; and (6) a serious lack of water this year for irrigation purposes.

HEAVY REDUCTION IN CANADIAN FRUIT CROPS

Canadian fruit crops this year are much lower than in 1942, when crops were generally above average, according to a report from the American Legation in Ottawa. Estimates at the end of July show that apples are down 9 percent, pears 37 percent, peaches 67 percent, plums and prunes 3 percent, apricots 81 percent, cherries 46 percent and grapes 22 percent. The strawberry crop was also much smaller although official estimates were not yet available.

CANADA: Fruit production, 1939-1943

Fruit and Province	1939	1940	1941	1942 a/	1943 b/
	1,000	1,000	1,000	1,000	1,000
	<u>barrels</u>	<u>barrels</u>	<u>barrels</u>	<u>barrels</u>	<u>barrels</u>
Apples					
Nova Scotia	2,300.0	1,151.0	1,148.0	1,305.9	1,606.3
New Brunswick	75.0	53.6	67.0	82.0	80.0
Quebec	337.0	323.5	255.6	390.0	300.0
Ontario	1,010.5	783.2	614.9	616.9	585.0
Brit. Columbia	2,069.4	1,981.0	1,492.9	1,936.1	1,379.7
Total	5,791.9	4,292.3	3,578.4	4,330.9	3,951.0
	1,000	1,000	1,000	1,000	1,000
	<u>bushels</u>	<u>bushels</u>	<u>bushels</u>	<u>bushels</u>	<u>bushels</u>
Pears					
Nova Scotia	22.1	21.7	17.4	21.7	17.4
Ontario	256.4	264.3	167.2	412.1	261.9
Brit. Columbia	298.6	290.3	332.4	319.1	195.9
Total	577.1	576.3	517.0	752.9	475.2
Plums & Prunes					
Nova Scotia	7.4	7.9	5.5	8.0	10.0
Ontario	54.3	72.5	143.5	190.5	112.0
Brit. Columbia	206.4	133.9	298.1	167.0	233.8
Total	268.1	214.3	447.1	365.5	355.8
Peaches					
Ontario	758.0	595.0	1,300.0	1,620.0	518.4
Brit. Columbia	177.0	192.0	232.9	319.2	129.5
Total	935.0	787.0	1,532.9	1,939.2	647.9
Apricots					
British Columbia and:					
Total	590.0	56.4	63.3	81.3	15.7
Cherries					
Ontario	135.3	87.7	196.3	272.2	113.1
Brit. Columbia	87.7	69.7	83.2	76.3	76.5
Total	223.0	157.4	279.5	348.5	189.6
	1,000	1,000	1,000	1,000	1,000
	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>
Grapes					
Ontario	54,000	49,900	45,000	72,000	56,160
Brit. Columbia	1,596	2,827	2,151	2,913	2,197
Total	55,596	52,727	47,151	74,913	58,357

Sources: Dominion Bureau of Statistics, Annual Statistics of Fruit, Nursery Stock and Floriculture, 1939-1942; Fruit Crop Report, July 30, 1943.

a/ Revised. b/ July 30, 1943 estimates.

ARGENTINE COTTON PRODUCTION ESTIMATE AGAIN REVISED UPWARD

The third estimate of the 1942-43 Argentine cotton crop, issued by the Ministry of Agriculture on August 9, places the crop at the equivalent of 438,200 bales of 478 lbs., or more than 65,000 bales over the final estimate of the 1941-42 crop. Increases over the past year's crop are reported in every Province except Santiago del Estero, where there was a reduction of 2,000 bales from the 9,400 reported for 1941-42. Chaco Province shows the greatest increase, with a crop of 336,700 bales compared with 312,200 in 1941-42, 202,200 in 1940-41, and only 81,900 bales five years ago in 1936-37.

A severe drought during the early months of the growing season so retarded growth of the young cotton plants that a crop smaller than the 373,200 bales reported for 1941-42 was expected at that time in spite of an increase in acreage. When the drought was finally broken, conditions improved considerably and the second estimate, released early in June, placed the 1942-43 crop at 378,200 bales. The large upward revision represented by the third estimate is the result of especially favorable weather conditions during June and July. Continued favorable weather caused new bolls to continue to form and thus the picking season was extended long after the normal period.

Nearly 95 percent of the 1942-43 crop has now been ginned and the average yield of lint from the seed cotton has been 32.9 percent, compared with a yield of 32.6 percent from the preceding crop. Present estimates indicate that an increase of 18 percent in acreage will yield an increase of 17 percent in the crop, in spite of discouraging drought conditions early in the season.

ARGENTINA: Cotton production, 1928-29 to 1942-43
(Equivalent bales of 478 pounds net)

Year	Production	Year	Production
	Bales		Bales
1928-29	118,500	1936-37	143,800
1929-30	150,400	1937-38	237,300
1930-31	138,600	1938-39	327,000
1931-32	169,200	1939-40	362,500
1932-33	149,900	1940-41	232,200
1933-34	200,100	1941-42	373,000
1934-35	295,400	1942-43	438,200
1935-36	373,400		

Compiled from official figures.

GENERAL AND MISCELLANEOUS. . . .

EXCHANGE RATES: Average value in New York of specified currencies,
week ended August 28, 1943 with comparisons a/

Country	Monetary unit	Year 1942	Month				Week ended		
			1942		1943		1943		
			July	July	June	July	Aug. 7	Aug. 14	Aug. 21
		Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Argentina b/	Paper peso	29.77	29.77	29.77	29.77	29.77	29.77	29.77	29.77
Australia c/	Pound	321.50	321.31	321.50	322.80	322.80	322.80	322.80	322.80
Brazil d/	Cruzeiro	5.14	5.06	5.14	5.13	5.13	5.13	5.13	5.13
British India	Rupee	30.12	30.13	30.12	30.12	30.12	30.12	30.12	30.12
Canada e/	Dollar	88.38	88.27	89.94	90.10	90.58	90.57	90.56	90.72
Mexico	Peso	20.57	20.54	20.57	20.58	20.58	20.58	20.58	20.58
New Zealand	Pound	322.78	322.57	322.78	324.42	324.42	324.42	324.42	324.42
South Africa	Pound	398.00	398.00	398.00	398.00	398.00	398.00	398.00	398.00
United Kingdom c/	Pound	403.50	403.23	403.50	403.50	403.50	403.50	403.50	403.50
Uruguay g/	Peso	52.72	43.79	52.74	52.83	52.87	52.85	52.84	52.88

Federal Reserve Board.

a/ Noon buying rates for cable transfers.

b/ Official, regular exports. The special export rate of 23.70 cents, reported beginning March 27, 1941, applies to exchange derived from certain minor exports (e.g. dairy products) to certain countries (e.g. United States), such exchange formerly having been sold in the free market. Quotations nominal.

c/ Free prior to February 2, 1943. Quotation of free rate discontinued after February 1, 1943, when regulations were issued by the British Treasury transforming all free sterling balances into registered sterling, convertible into dollars at the official rate.

d/ Free. Under law of October 6, 1942, the cruzeiro became the unit of currency, replacing the milreis. The cruzeiro has the same value as the milreis. Since April 10, 1939, 30 percent of the exchange derived from exports must be turned over at the official buying rate of 6.06 cents, the weighted average value of the milreis being 5.42 cents in 1942, the value of the cruzeiro 5.41 cents in July, 1943 and 5.41 cents in the week ended August 21, 1943. Quotations nominal.

e/ Free. Most transactions between Canada and the United States take place at the official buying and selling rates.

f/ Quotations nominal.

g/ Noncontrolled. Quotations nominal.

